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**FISCAL IMPACT STATEMENT**

**LS 7776**

**BILL NUMBER: SB 518**

**NOTE PREPARED: Jan 13, 2005**

**BILL AMENDED:**

**SUBJECT:** Forestry issues.

**FIRST AUTHOR:** Sen. Weatherwax

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill requires the Department of Natural Resources (DNR) to provide forestry information to units of local government. It specifies that certain activities of a forestry operation are not a public or private nuisance. It also entitles a forestry operation that successfully defends a nuisance action to reasonable costs and attorney's fees incurred to defend the action. The bill requires that before adopting an ordinance that restricts a forestry operation, the unit of local government must allow the DNR an opportunity to review and comment on the proposed ordinance. It encourages units to recognize the needs of forestry in future growth. It repeals and relocates the definition of "unit of local government".

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** The bill requires the DNR to provide information and advice to a unit of local government concerning forestry issues. The impact of this provision will depend on the extent to which the DNR provides information and assistance.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The bill provides that a unit of local government must do the following before adopting an ordinance that would restrict a forestry operation:

- (1) Send the proposed ordinance to the DNR.
- (2) Allow the DNR 45 days to review the proposed ordinance.
- (3) Allow the DNR an opportunity to provide public comment before the proposed ordinance is voted upon.

These provisions will add administrative expenses to local units. The specific impact will depend on the number and nature of ordinances that could be adopted as a result of this proposal.

The bill also provides that a forestry operation that successfully defends an action is entitled to reasonable costs and attorney's fees incurred in defending the action. This provision could result in additional expense to local units if units take action against an operation and the forestry operation is successful in its defense. The impact is indeterminable and will depend on local actions.

The bill also expands the circumstances in which a forestry operation is considered to be in continuous operation and further expands circumstances under which a forestry operation would not be considered a nuisance. These provisions could reduce legal actions taken against forestry operations which would reduce expenses associated with local court actions. The impact is indeterminable.

**Explanation of Local Revenues:**

**State Agencies Affected:** DNR

**Local Agencies Affected:** All.

**Information Sources:**

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.